

Old Age, Disability, Death

First law: 1963.

Separate law for employees of government-owned undertakings: 1975.

Type of program: Social insurance system.

Exchange rate: U.S.\$1.00 equals 6.25 birrs.

Coverage

Public employees. Employees of government-owned companies. Employees of national youth, women's, and similar associations.

Source of Funds

Insured person: 4% of basic monthly salary.

Employer: 6% of basic monthly salary.

Government: None.

Qualifying Conditions

Old-age pension: Age 55 with a minimum of 10 years of service and contributions.

Disability pension: A minimum of 10 years of service and contribution.

Survivor pension: Deceased met contribution conditions for old-age pension or was pensioner at death.

Old-Age Benefits

Old-age pension: 30% of average monthly salary during the last 3 years, plus increment of 1% of average monthly salary for each year of service beyond 10, up to a maximum benefit of 60%.

For those who do not fulfill the qualifying conditions, there are lump-sum payments.

Permanent Disability Benefits

Disability pension: Same as old-age pension.

Survivor Benefits

Survivor pension: Widow receives 50% of the pension of the deceased. Upon re-marriage, a lump sum of 2 years' pension is paid.

Orphan: 10% of the pension of the deceased (full orphan 20%).

Parents: 10% to 20% of the deceased's pension.

Administrative Organization

The Ministry of Labour and Social Affairs, general supervision.
The Pension and Social Security Authority, administration of program.

Coverage

Public employees.

Employees of Government-owned companies.

Employees of national youth, women's, and similar associations.

Source of Funds

Insured person: See pension contributions above.

Employer: Same.

Government: None.

Qualifying Conditions

Work-injury benefits: No minimum qualifying period.

Temporary Disability Benefits

Temporary disability benefit: A lump-sum incapacity gratuity amounting to 45% of the monthly salary, multiplied by 5 years and degree (percentage) of incapacity due to injury.

Private insurance on basis of Labour Proclamation.

Permanent Disability Benefits

Permanent disability benefit: 45%-60% of the monthly basic salary.

Survivor Benefits

Survivor pension: Same as old-age pension.

Administrative Organization

The Ministry of Labour and Social Affairs, general supervision.
The Pension and Social Security Authority, administration of program.

Contact—Joseph G. Simanis—202-282-7265

Sickness and Maternity

(1975 labor decree requires sick leave and maternity leave of 45 days.)

Work Injury

First law: 1963.

Current law: 1974.

Type of program: Employer liability system.